REMARKS:

Claims 1-35 are currently pending in the Application.

Claims 1-35 stand rejected under 35 § U.S.C. 102(e) as being anticipated by Herz et al. (U.S. Patent Application Publication No. 2001/0014868 to *Herz* et al., (hereinafter referred to as "*Herz*").

By this Response, no new claims have been added or canceled. Claims 1, 12, 23, 34, and 35 have been amended. Support for the proposed amendment to the claims may be found in the Specification at least on page 25, lines 19-26.

Although the Applicant believes Claims 1-35 are directed to patentable subject matter without amendment, the Applicant has amended independent Claims 1, 12, 23, 34, and 35 in order to more particularly point out and distinctly claim the Applicant's invention. By making these amendments, the Applicant makes no admission concerning the merits of the Examiner's rejection, and respectfully reserve the right to address any statement or averment of the Examiner not specifically addressed in this response. Particularly, the Applicant reserves the right to pursue broader claims in this Application or through a continuation patent application. No new matter has been added.

A Final Office Action in the subject Application was mailed to the undersigned on 28 September 2006 that provides for a response period ending 28 December 2006. The Applicant filed an Amendment After Final on 30 October 2006, within two (2) months of the date of the Final Office Action. An Advisory Action was mailed to the undersigned on 1 December 2006. The Advisory Action stated that the arguments presented in the Amendment After Final mailed on 30 October 2006 "does not place the application in condition for allowance". (1 December 2006 Advisory Action, Page 2). The Applicant respectfully disagrees and respectfully reiterates here the arguments set forth in the Amendment After Final filed on 30 October 2006, as if fully set forth herein.

REJECTION UNDER 35 U.S.C. § 102(e):

Claims 1-35 stand rejected under 35 § U.S.C. 102(e) as being anticipated by *Herz*.

The Applicant respectfully submits that *Herz* fails to disclose, teach, or suggest each and every limitation recited by Claims 1-35. The Applicant further respectfully submits that Claims 1-35 patentably distinguish over *Herz*. Thus, the Applicant respectfully traverses the Examiners rejection of Claims 1-35 under 35 U.S.C. § 102(e) over *Herz*.

***Herz* Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Claims**

For example, with respect to independent Claim 1, this claim recites:

> An electronic commerce system that provides market feedback to sellers, comprising:
>
> one or more memory units storing program instructions for:
>
> recording query information associated with a search query of one or more databases containing product data, the search query involving a search by a buyer;
>
> recording presentation information associated with the manner in which a plurality of search results are presented to the buyer, ***each search result comprising data for a product matching one or more search criteria specified in the search query***, the search results comprising one or more search results reflecting product data for a particular seller;
>
> recording selection information associated with selection by the buyer of a particular search result from among the plurality of search results, the particular search result comprising data for a particular product matching one or more search criteria specified in the search query, ***wherein the particular product is a product of a seller other than the particular seller***; and
>
> providing the recorded query information and at least one of the presentation information and the selection information to the particular seller ***to allow the particular seller to assess one or more aspects of its product data relative to product data of other sellers***; and
>
> one or more processing units that execute the stored program instructions to:

record query information associated with a search query for a buyer of one or more databases containing product data;

record presentation information associated with the manner in which a plurality of search results are presented to the buyer, ***each search result comprising data for a product matching one or more search criteria specified in the search query***, the search results comprising one or more search results reflecting product data for a particular seller;

record selection information associated with selection by the buyer of a particular search result from among the plurality of search results, the particular search result comprising data for a particular product matching one or more search criteria specified in the search query; and

provide the recorded query information and at least one of the presentation information and the selection information to the particular seller ***to allow the particular seller to assess one or more aspects of its product data relative to product data of other sellers***. (Emphasis added).

Amended independent Claims 12, 23, 34, and 35 recite similar limitations. *Herz* fails to disclose or teach each and every element of amended independent Claims 1, 12, 23, 34, and 35.

Amended independent Claim 1 recites the limitation of "recording selection information associated with selection by the buyer of a particular search result from among the plurality of search results, the particular search result comprising data for a particular product matching one or more search criteria specified in the search query, ***wherein the particular product is a product of a seller other than the particular seller***." Applicant submits that *Herz* fails to teach this limitation. In paragraph [0278] *Herz* teaches that vendors are excluded from information relating to selections unless they were the selected vendor. In contradistinction, amended independent Claim 1 recites that the selection information recorded and sent to a seller is information about the ***selection of products other than the seller's own products***. Thus, the present invention teaches providing selection information to a seller for products other than the seller's own products. Therefore, Herz actually teaches away from the limitation of "recording selection information associated with selection by the buyer of a particular search result from among the plurality of search results, the particular search result comprising data for a particular product matching one or more search criteria specified

in the search query, ***wherein the particular product is a product of a seller other than the particular seller***." Thus, Applicant respectfully submits that *Herz* fails to anticipate amended independent Claim 1, as *Herz* fails to teach each and every limitation of amended independent Claim 1.

Applicant respectfully submits that this distinction alone is sufficient to patentably distinguish amended independent Claim 1 of the present invention from *Herz*. However, Applicant respectfully submits that Herz fails to teach other limitations of amended independent Claim 1.

Amended independent Claim 1 recites the limitation of "recording presentation information associated with the manner in which a plurality of search results are presented to the buyer, ***each search result comprising data for a product matching one or more search criteria specified in the search query***, the search results comprising one or more search results reflecting product data for a particular seller." The Final Office Action alleges that *Herz* teaches this feature in paragraphs [0038], lines 1-9; [0073], lines 17-14; and [0260], lines 1-10. *Herz* paragraph [0038], lines 1-9, fails to disclose, teach, or suggest the feature of "***each search result comprising data for a product matching one or more search criteria specified in the search query***". Paragraph [0038] of *Herz* teaches that text and/or graphics messages are sent to a shopper's terminal in order to convey "selected offers". However, lines 5-8 explain that "Offers that are directly related to the shopper's stated goals might be displayed more centrally ***than offers that the shopper might be interested in but has not explicitly asked for***". (Emphasis Added). In paragraph [0036], *Herz* explains that a "shopper's goal" is what the shopper is interested in, such as by browsing for the keyword "dress shirts". Thus, the passage in lines 5-8 of paragraph [0038] merely teaches that offers are presented to a shopper both for items that the shopper is explicitly searching for, the shopper's goals, as well as offers for other items that the shopper did not inquire about. Therefore, *Herz*, paragraph [0038], lines 1-9 fails to teach, suggest, or even hint at "***each search result comprising data for a product matching one or more search criteria specified in the search query***," as recited in amended independent Claim 1 of the present invention.

In addition, in paragraph [0037] *Herz* teaches that "selected offers" are comprised of offers from the offer database that are most likely to result in a profitable sale. The computer makes this determination by considering several factors, including the shopper's present goals, the offer profiles, and the stored profiles of the shopper. *Herz* even gives the example that if a shopper has recently bought ski goggles, the system would select offers for other items related to ski goggles to present to the shopper, even though the shopper had not directly inquired about them. Thus *Herz* teaches that selected offers ***do not include, involve, or even relate to*** "***each search result comprising data for a product matching one or more search criteria specified in the search query***", as recited in amended independent Claim 1.

Herz, paragraph [0073], lines 17-14 teaches various types of attributes that an offer may contain. The cited passage of *Herz* fails to disclose, teach, or suggest "***each search result comprising data for a product matching one or more search criteria specified in the search query***", as recited in amended independent Claim 1.

Furthermore *Herz*, paragraph [0260], lines 1-10 teaches about "virtual mall" layouts and determining better shelf space. As *Herz* explains, different shoppers are shown different virtual shopping mall layouts and their relative purchase rates of the desired product from the different layouts would be compared. The cited passage of *Herz* fails to disclose, teach, or suggest "***each search result comprising data for a product matching one or more search criteria specified in the search query***", as recited in amended independent Claim 1.

Therefore, *Herz* fails to disclose, teach, or suggest amended independent Claim 1 limitations regarding "record[ing] presentation information associated with the manner in which a plurality of search results are presented to the buyer, ***each search result comprising data for a product matching one or more search criteria specified in the search query***, the search results comprising one or more search results reflecting product data for a particular seller." Thus, *Herz* fails to anticipate amended independent Claim 1, because *Herz* fails to disclose, teach, or suggest each and every limitation of amended independent Claim 1.

The Applicant respectfully submits that *Herz* fails to disclose, teach or suggest the amended independent Claim 1 limitation regarding "providing the recorded query information and at least one of the presentation information and the selection information to the particular seller ***to allow the particular seller to assess one or more aspects of its product data relative to product data of other sellers***." The Final Office Action alleges that this feature is taught by *Herz* in paragraphs [0260]; [0261], lines 1-10; and [0278]. *Herz*, paragraph [0260] teaches about "virtual mall" layouts and determining better shelf space. As *Herz* explains, different shoppers are shown different virtual shopping mall layouts and their relative purchase rates of the desired product from the different layouts would be compared. However, this passage of *Herz* fails to disclose, teach, or suggest providing the recorded query information to a particular seller so that allows the seller to asses one or more aspects of its product data relative to product data of other sellers.

Herz only teaches ***comparing the sales rate of the same seller and product at different locations within the virtual mall***. *Herz* does not disclose, teach, or suggest giving the seller product data of other sellers. The Final Office Action admits that *Herz* fails to teach giving a seller (vendor) information that corresponds to the product of another seller (vendor). On page 9 of the 28 September 2006 Final Office Action, in rejecting Claim 10, the Final Office Action states that paragraph [0278] of *Herz* teaches "[i]n other words, ***the vendors are excluded from information related to selections unless they were the selected vendor***." (Emphasis added) Therefore, it follows that *Herz* fails to teach providing information to a seller that allows the seller to asses aspects of its products data relative to product data of other sellers. *Herz* fails to disclose, teach, or suggest "providing the recorded query information and at least one of the presentation information and the selection information to the particular seller ***to allow the particular seller to assess one or more aspects of its product data relative to product data of other sellers***", as recited in amended independent Claim 1. Thus, *Herz* fails to anticipate amended independent Claim 1, because *Herz* fails to teach, suggest, or even hint at each and every limitation of amended independent Claim 1.

Additionally, the Final Office Action states "that *Herz* teaches ***providing at least some*** of the recorded query information ..." (28 September 2006, Final Office Action, page 5, Emphasis added). However, amended independent Claim 1 recites "providing the recorded query information" not ***providing at least some***, as recited in the Final Office Action. Thus, Applicant submits that as the Final Office Action characterizes *Herz* as only teaching ***providing at least some of the information***, Herz fails to teach "providing the recorded query information," as recited in amended independent Claim 1.

Paragraph [0261] of *Herz* teaches using profiles of on-line shoppers and applying that information to off-line shoppers. However, Paragraph [0261] of *Herz* fails to disclose, teach, or suggest "providing the recorded query information and at least one of the presentation information and the selection information to the particular seller ***to allow the particular seller to assess one or more aspects of its product data relative to product data of other sellers***", as recited in amended independent Claim 1.

As stated above and acknowledged by the Final Office Action, paragraph [0278] of *Herz* teaches that ***the vendors are excluded from information related to selections unless they were the selected vendor.*** Therefore, the cited passage of *Herz* not only fails to disclose, teach, or suggest "providing the recorded query information and at least one of the presentation information and the selection information to the particular seller ***to allow the particular seller to assess one or more aspects of its product data relative to product data of other sellers***", as recited in amended independent Claim 1; but the cited passage of *Herz* actually teaches away from the claim limitation. Thus, *Herz* fails to anticipate amended independent Claim 1, because *Herz* fails to disclose, teach, or suggest each and every limitation of amended independent Claim 1.

Herz Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 6, 17, and 28

The Applicant respectfully submits that Claims 6, 17, and 28 recite "the presentation information reflects a position of a search result for the particular seller within

an ordered display of the search results; and the selection information reflects a position of the selected search result within the ordered display of the search results." The Final Office Action alleges that paragraph [0260], lines 1-10, of *Herz* teaches this feature. However, paragraph [0260], lines 1-10 of *Herz* does not in fact disclose, teach, or suggest Claims 6, 17, and 28 limitations. Instead, paragraph [0260], lines 1-10 of *Herz* teaches "virtual mall" layouts and determining better shelf space. As *Herz* explains, different shoppers are shown different virtual shopping mall layouts and their relative purchase rates of the desired product from the different layouts would be compared. *Herz* merely teaches that the location within a virtual mall of a purchased product is known. *Herz* fails to teach how the location of the product within the virtual mall relates to, reflects, or correlates to the position of a search result for a specific seller with an ordered display of all the search results for the all the sellers or the position of the selected search result within the ordered display of the search results. *Herz* fails to teach, suggest, or even hint that the location of the product in the virtual mall correlates to the location of a selected product or a search result within an ordered presentation of all search results. The only way to reach this conclusion is through an improper use of hindsight, using the Applicant's disclosure as template to fill in the missing gaps. Therefore, *Herz* fails to disclose, teach, or suggest "the presentation information reflects a position of a search result for the particular seller within an ordered display of the search results; and the selection information reflects a position of the selected search result within the ordered display of the search results", as recited in Claims 6, 17, and 28.

Herz Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 7, 18, and 29

The Applicant respectfully submits that Claims 7, 18, and 29 recite "***wherein the presentation information reflects one or more buyer-specified sort criteria used to sort the search results,*** each sort criterion selected from the group consisting of a product attribute, a product attribute value, a seller attribute, and a seller attribute value." The Final Office Action alleges that paragraph [0036]; [0258], lines 76-92, of *Herz* teach this feature. Paragraphs [0036]; [0258], lines 76-92, of *Herz* fails to teach this feature.

Instead, paragraph [0036] of *Herz* teaches that a shopper may input what the shopper is looking for in various different ways, using different types of terminology and varying degrees of specificity. Paragraph [0258], lines 76-92, gives examples of other searches a customer might employ. However, neither of these passages teaches the feature "***wherein the presentation information reflects one or more buyer-specified sort criteria used to sort the search results,*** each sort criterion selected from the group consisting of a product attribute, a product attribute value, a seller attribute, and a seller attribute value." First, both of the passages teach generating searches, not sorting the searches. Secondly, as discussed above in regards to the rejection of amended independent Claim 1, search results comprise other offers for products beyond what the buyer specified. Furthermore, as discussed above in regards to the rejection of amended independent Claim 1, *Herz* teaches that the search results are presented to the customer based on offers that are most likely to produce a profitable sale. Paragraph [0037] goes on to state that offers might be selected based on other criteria than the most profitable sale, but these criteria are supplied by the vendor. Thus, *Herz* ***teaches that the offers presented to the buyer are based on seller specified criteria***, not buyer specified criteria, as recited in Claims 7, 18, and 29. Thus *Herz* fails to teach the feature of "***wherein the presentation information reflects one or more buyer-specified sort criteria used to sort the search results,*** each sort criterion selected from the group consisting of a product attribute, a product attribute value, a seller attribute, and a seller attribute value."

Herz Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 8, 19, and 30

The Applicant respectfully submits that Claims 8, 19 and 30 recite "wherein the selection information reflects at least one of the number of search results considered by the buyer; and whether the buyer considered one or more search results for the particular seller." The Final Office Action alleges that paragraph [0039], lines 1-6 of *Herz* teaches this feature. Specifically, the Final Office Action alleges that "as the shopper considers and selects products and offers the system monitors the shoppers interested in various

offers" (See Final Office Action 28 September 2006, page 8) teaches the limitation of "whether the buyer considered one or more search results for the particular seller." The Final Office Action further notes that as Claim 8 states "at least one of" *Herz* only has to satisfy one of the criteria. However, paragraph [0039], lines 1-6 of *Herz* does not teach either of the criteria recited in Claims 8, 19, and 30. Instead paragraph [0039], lines 1-6 of *Herz* teaches updating the shopper's profile, which includes indicating the shopper's interest in various offers. However, as explained further in paragraph [0039], this is done on a product by product basis. There is no teaching or suggestion that this information is part of the selection information presented to a seller for a product other than the product itself. Furthermore, nowhere does *Herz* teach or even imply tracking the number of search results considered by a buyer and presenting that information to a seller. Thus *Herz* does not teach the feature of "wherein the selection information reflects at least one of the number of search results considered by the buyer; and whether the buyer considered one or more search results for the particular seller."

Herz Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 10, 21, and 32

The Applicant respectfully submits that Claims 10, 21, and 32 recite "wherein the selection information excludes product attribute values and seller attribute values for the search result selected by the buyer that are to be kept in confidence from sellers other than the seller associated with the selected search result." The Final Office Action alleges that paragraph [0278] of *Herz* teaches this feature. Paragraph [0278] of *Herz* does not teach this feature. Instead paragraph [0278] of *Herz* teaches that it may be beneficial for vendors to share sales data. Thus, the Final Office Action concludes that the vendors are excluded from information related to selections unless they were the selected vendor. However, this is not what Claim 10 recites. Claim 10 recites the feature of "wherein the selection information excludes product attribute values and seller attribute values for the search result selected by the buyer that are to be kept in confidence from sellers other than the seller associated with the selected search result." Amended independent Claim 1, from which Claim 10 indirectly depends, recites that selection information is provided to

a particular seller. However, the selection information is for a product that belongs to a seller other then the particular seller that the information is being given to. Thus, the present invention teaches providing selection information to a seller for products other than the seller's own products. *Herz* does not teach this, as admitted by the Final Office Action. Claim 10 teaches a feature of withholding confidential information of one seller when providing the selection information to another seller. As *Herz* does not teach providing selection to a seller for products other than the seller's own products, it follows that *Herz* fails teach the feature of "wherein the selection information excludes product attribute values and seller attribute values for the search result selected by the buyer that are to be kept in confidence from sellers other than the seller associated with the selected search result." Thus, *Herz* does not teach anticipate Claims 10, 21, and 32 as *Herz* fails to teach the feature of "wherein the selection information excludes product attribute values and seller attribute values for the search result selected by the buyer that are to be kept in confidence from sellers other than the seller associated with the selected search result."

Herz Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 11, 22, and 33

The Applicant respectfully submits that Claims 11, 22, and 33 recite "wherein the selection information reflects at least one of a position of the selected search result within the plurality of search results presented to the buyer; and one or more reasons for the position, relative to the search result selected by the buyer, of a search result for the particular seller." The Final Office Action alleges that paragraph [0260], lines 1-10 of *Herz* teaches this feature. Specifically the Final Office Action alleges that "determining a relative purchase rate for a product as different locations includes a position of the selected search result within the plurality of search results." (See Final Office Action 28 September 2006, page 8). The Final Office Action further notes that as Claim 8 states "at least one of" *Herz* only has to satisfy one of the criteria. Paragraph [0260], lines 1-10 of *Herz* does not teach either of the criteria recited in Claim 11. Furthermore, Applicants' respectfully disagree with the conclusion of the Final Office Action that determining a relative purchase rate for a product at different locations includes a position of the selected search result within the

plurality of search results." Paragraph [0260], lines 1-10 of *Herz* teaches "virtual mall" layouts and determining better shelf space. As *Herz* explains, different shoppers are shown different virtual shopping mall layouts and their relative purchase rates of the desired product from the different layouts would be compared. However, *Herz* simply teaches that the location within a virtual mall of a purchased product is known. *Herz* fails to teach how the location of the product within the virtual mall relates to, reflects, or correlates to the position of the selected search result within the plurality of search results presented to the buyer. *Herz* does not say or even imply that the location of the product in the virtual mall correlates to the position of the selected search result within a plurality of search results that are presented to a buyer. The only way to reach the conclusion that *Herz* teaches this feature is through an improper use of hindsight, using the Applicant's disclosure as template to fill in the missing gaps. Furthermore, nowhere does paragraph [0260], or any other portion of *Herz* teach that selection information contains a reason for the positioning of a search result within a plurality of search results. Thus *Herz* fails to teach the feature of "wherein the selection information reflects at least one of a position of the selected search result within the plurality of search results presented to the buyer; and one or more reasons for the position, relative to the search result selected by the buyer, of a search result for the particular seller."

The Applicant's Claims are Patentable over *Herz*

With respect to amended independent Claims 12, 23, 34, and 35, these claims include limitations similar to those discussed above in connection with amended independent Claim 1. Thus, amended independent Claims 12, 23, 34, and 35 are considered patentably distinguishable over *Herz* for at least the reasons discussed above in connection with amended independent Claim 1.

Furthermore, with respect to dependent Claims 2-11, 13-22, 24-33: Claims 2-11, depend from amended independent Claim 1; Claims 13-22 depend from amended independent Claim 12; and Claims 24-33 depend from amended independent Claim 23 are also considered patentably distinguishable over *Herz*. Thus, dependent Claims 2-11,

13-22, 24-33 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

Thus, for at least the reasons set forth herein, the Applicant respectfully submits that Claims 1-35 are not anticipated by *Herz*. The Applicant further respectfully submits that Claims 1-35 are in condition for allowance. Thus, the Applicant respectfully requests that the rejection of Claims 1-35 under 35 U.S.C. § 102(e) be reconsidered and that Claims 1-35 be allowed.

THE LEGAL STANDARD FOR ANTICIPATION REJECTIONS UNDER 35 U.S.C. § 102:

The following sets forth the legal standards for "anticipation."

The events that can lead to anticipation can be divided into the following seven categories, all defined by statute:

1. Prior Knowledge: The invention was publicly known in the United States before the patentee invented it.

2. Prior Use: The invention was publicly used in the United States either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.

3. Prior Publication: The invention was described in a printed publication anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.

4. Prior Patent: The invention was patented in another patent anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his application.

5. On Sale: The invention was on sale in the United States more than one year before the patentee filed his application.

6. Prior Invention: The invention was invented by another person in the United States before the patentee invented it, and that other person did not abandon, suppress or conceal the invention.

7. Prior U.S. Patent: The invention was described in a patent granted on a patent application filed in the United States before the patentee made the invention.

Each of those seven events has its own particular requirements, but they all have the following requirements in common:

1. Anticipation must be shown by clear and convincing evidence.

2. If one prior art reference completely embodies the same process or product as any claim, the product or process of that claim is anticipated by the prior art, and that claim is invalid. To decide whether anticipation exists, one must consider each of the elements recited in the claim and determine whether all of them are found in the particular item alleged to be anticipating prior art.

3. There is no anticipation unless every one of those elements is found in a *single* prior publication, prior public use, prior invention, prior patent, prior knowledge or prior sale. One may not combine two or more items of prior art to make out an anticipation. One should, however, take into consideration, not only what is expressly disclosed or embodied in the particular item of prior art, but also what inherently occurred in its practice.

4. There cannot be an accidental or unrecognized anticipation. A prior duplication of the claimed invention that was accidental, or unrecognized, unappreciated, and incidental to some other purpose is not an invalidating anticipation.

Those four requirements must be kept in mind and applied to each kind of anticipation in issue. The following additional requirements apply to some categories of anticipation.

1. Prior Knowledge: An invention is anticipated if it was known by others in the United States before it was invented by the patentee. "Known," in this context, means known to the public. Private knowledge, secret knowledge or knowledge confined to a small, limited group is not necessarily an invalidating anticipation. Things that were known to the public only outside the United States are not invalidating anticipation.

2. Prior Use: An invention is anticipated if it was used by others before it was invented by the patentee, or more than one year before the patentee filed his patent application. "Use," in this context, means a public use.

3. Prior Publication: A patent is invalid if the invention defined by the claims was described in a printed publication before it was invented by the patentee or more than one year prior to the filing date of his application. For a publication to constitute an anticipation of an invention, it must be capable, when taken in conjunction with the knowledge of people of ordinary skill in the art, of placing the invention in the possession of the reader. The disclosure must be enabling and meaningful. In determining whether the disclosure is complete, enabling, and meaningful, one should take into account what would have been within the knowledge of a person of ordinary skill in the art at the time, and one may consider other publications that shed light on the knowledge such a person would have had.

4. Prior Patent: If the invention defined by the claims was patented in the United States or a foreign country, either before it was invented by the inventor or more than one year before the inventor filed his patent application, then the invention was anticipated. The effective date for this type of anticipation is the date on which two things co-existed: (i) the owner of the referenced patent had the right to enforce that patent; and (ii) the reference patent was available to the public. What was "patented" in the reference patent is determined by what is defined by its claims, interpreted in the light of the general description.

5. On Sale: A patent is invalid if the invention claimed in it was on sale in the United States more than one year prior to the application filing date.

6. Prior Invention: If the invention defined by the claims was invented by another person, in the United States, before it was invented by the inventor, and that other person did not abandon, suppress, or conceal the invention, the invention lacks novelty. A prior invention, even if put in physical form and shown to produce the desired result, is not an invalidating anticipation unless some steps were taken to make it public. However, it is not necessary that the inventor had knowledge of that prior invention.

7. Prior U.S. Application: A patent is invalid for lack of novelty if the invention defined by the claims was described in a United States patent issued on a patent application filed by another person before the invention was made by the inventor. The effective date of a prior application for purposes of this issue is the date on which it was filed in the United States. Foreign-filed patent applications do not apply. If the issued United States patent claims the benefit of more than one United States application, its effective date as an anticipation is the filing date of the first United States application that discloses the invention claimed in that referenced patent.

Experimental Use Exception: The law recognizes that it is beneficial to permit the inventor the time and opportunity to develop his invention. As such there is an "experimental use" exception to the "public use" and "on sale" rules. Even though the invention was publicly used or on sale, more than one year prior to the application filing date, that does not invalidate the patent, provided the principal purpose was experimentation rather than commercial benefit. If the primary purpose was experimental, it does not matter that the public used the invention or that the inventor incidentally derived profit from it.

When a public use or sale is shown, the burden is on the inventor to come forward with evidence to support the experimental use exception. Only experimentation by or under the control of the inventor qualifies for this exception. Experimentation by a third party, for its own purposes, does not qualify for this exception. Once the invention leaves the inventor's control, its use is a public one, even if further experimentation takes place.

The experimentation must relate to the claimed features of the invention. And it must be for the purpose of technological improvement, not commercial exploitation. If any commercial exploitation does occur, it must be merely incidental to the primary purpose of experimentation. A test done primarily for marketing, and only incidentally for technological improvement, is a public use.

CONCLUSION:

In view of the foregoing remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

A Request for Continued Examination (RCE) is being filed in duplicate concurrently herewith to facilitate the processing of this deposit account authorization. **The Commissioner is hereby authorized to charge the RCE Fee of $790.00 to Deposit Account No. 500777**. Because this Amendment is filed prior to the ending of the response period 28 December 2006 of the Final Office Action mailed on 28 September 2006, no additional fees are deemed to be necessary; however, the undersigned hereby authorizes the Commissioner to charge any additional fees that may be required, or credit any overpayments, to **Deposit Account No. 500777**.

Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.

Respectfully submitted,

12/26/06
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CUSTOMER NO. 53184

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